

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

COLD STONE CREAMERY, INC.,

Plaintiff,

v.

PIN KNOX, INC., JACK PINNOCK and
JASON PINNOCK

Defendants.

Civil Action No. 08-CV-3582

STIPULATION AND AGREED ORDER

This Stipulation and Agreed Order is entered into this 30th day of October, 2008 between Plaintiff, Cold Stone Creamery, Inc. ("Cold Stone"), and Defendants, Pin Knox, Inc., Jack Pinnock and Jason Pinnock ("Defendants"). Cold Stone and the Defendants are collectively referred to herein as the "Parties." The Parties hereby agree and stipulate as follows:¹

1. The Parties acknowledge that Defendants voluntarily surrendered possession of Cold Stone franchise store #1837, located at 3001 Cheltenham Avenue, Suite 3020, Wyncote, Pennsylvania 19095 (the "Wyncote Franchise") to Cold Stone on September 10, 2008.

2. The Parties agree that Defendants' voluntary surrender of the Wyncote Franchise has afforded Cold Stone the primary relief sought through Cold Stone's Motion for Preliminary Injunction (the "Motion") currently pending before this Court.

¹ Unless otherwise defined herein, capitalized terms shall have the same meaning as in Cold Stone's Verified Complaint filed with this Court on July 31, 2008.

3. Cold Stone therefore agrees to withdraw the Motion, and the Parties agree that the hearing originally scheduled by this Court to take place on October 2, 2008, which has since been canceled by the Court, for the purpose of resolving the Motion is no longer necessary.

4. Defendants agree that they have no right(s) to operate the Wyncote Franchise, or to operate any other Cold Stone store, or to use or display any Cold Stone trademark, trade name, trade dress, or any other intellectual property owned by Cold Stone.

5. Defendants further agree not to seek in the future, the right to regain possession of the Wyncote Franchise or any other Cold Stone store.

6. The Parties therefore agree to the entry of a permanent injunction by this Court immediately prohibiting the Defendants from operating the Wyncote Franchise, or any other Cold Stone store at any location, or to use or display any Cold Stone trademark, trade name, trade dress, or any other intellectual property owned by Cold Stone.

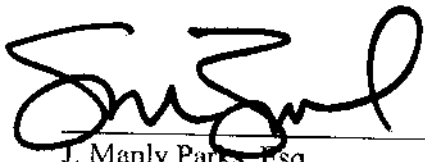
7. The Parties acknowledge that Cold Stone's claims for injunctive relief in this litigation (Count IV) are being resolved pursuant to the entry of the permanent injunction described in ¶ 6. Cold Stone's claims for money damages which were asserted in this litigation (the "Remaining Claims") shall remain at issue but shall be resolved as set forth below.

8. The Parties acknowledge and agree that: (i) all remaining controversies between the Parties, including Cold Stone's Remaining Claims for money damages; and (ii) any and all claims that Defendants may have against Cold Stone, will be resolved through binding arbitration.

9. The Parties therefore agree that this Court should dismiss, without prejudice, Cold Stone's Remaining Claims in the Verified Complaint for breach of contract (Counts I and II), trademark infringement in violation of the Lanham Act at 15 U.S.C. § 1114 and the common law (Counts III and VII), unfair competition in violation of the Lanham Act at 15 U.S.C. § 1125(a) and the common law (Counts V and VIII), trade dress infringement in violation of the Lanham Act at

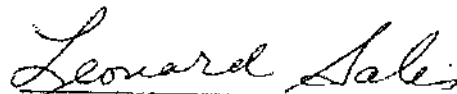
15 U.S.C. § 1125 (Count VI) and dilution in violation of the Lanham Act at 15 U.S.C. § 1125(c) (Count IV).

10. Defendants agree not to assert any claims that they may have against Cold Stone in any court (it being understood that such claims will be resolved by arbitration), except to enforce, confirm or set aside (vacate) the arbitrator's award, or to prosecute or defend any appeal of a court's decision relating to the arbitrator's award.



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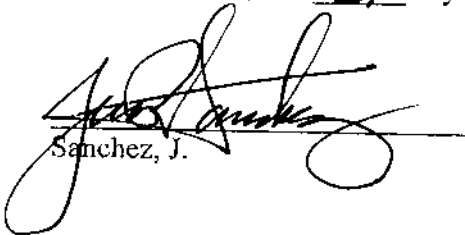
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SO ORDERED, this 31st day of October, 2008:


Sanchez, J.